

June 19, 2009

To: Teresa Parsons
Director's Review Program Supervisor

FROM Meredith Huff, SPHR
Director's Review Investigator

SUBJECT: Mindy Carey v. Department of Corrections (DOC)
Allocation Review No. ALLO-08-089

Director's Review Conference

Ms. Mindy Carey, Ms. Celeste Hardy, Ms. Sarah Clark, and Ms. Loraine Wisner each submitted a Request for Director's Review received November 29, 2008. On June 2, 2009, I conducted a Director's review conference by phone. Present by phone were Ms. Carey, Ms. Hardy, Ms. Clark, and Ms. Wisner, employees; Mr. Ray Ebio, immediate supervisor of the employees; Ms. PJ Kohler, Local Business Advisor and second level supervisor of the employees; and Ms. Amy Bean, Human Resource Consultant, DOC Headquarters, and Ms. Joanne Harmon, Human Resource Consultant, Classification Unit, representing DOC.

Director's Determination

The Director's review of DOC's allocation determination of Ms. Carey's position is complete. As the Director's investigator, I have carefully reviewed all of the file documentation, classifications and the information provided during the review conference. I conclude that Ms. Carey's position is properly allocated to the class of Fiscal Technician 2.

Background

Ms. Sarah Clark, Ms. Mindy Carey, Ms. Celeste Hardy and Ms. Loraine Wisner work in the Medical Disbursement Unit (MDU) of DOC. Ms. Carey, position # GR42, Ms. Hardy, position #CP91, and Ms. Wisner, position #CP90, each individually submitted to the DOC Human Resources office a Position Review Request form (PRR) and a Position Description (PD) signed November 7, 2007. Ms. Clark was hired into position #CP88 and the PD and PRR were completed by the former incumbent. Mr. Ebio and Ms. Kohler signed the PRRs. The PDs were signed by Mr. Ebio on November 7, 2007 and by Ms. Doty, Comptroller, on June 18, 2008. Ms. Carey believes her position should be reallocated from Fiscal Technician 2 to Medical Treatment Adjudicator 1, Fiscal Analyst 1 or the Fiscal Analyst 2 classifications. (Exhibit A-1)

By letter dated November 10, 2008, Ms. Amy Bean notified Ms. Carey that her position was properly allocated as a Fiscal Technician 2 and denied the request for reallocation to the Fiscal Analyst. (Exhibit B-1) On November 19, 2008, Ms. Carey submitted a Request for Director's Review form. Ms. Harmon confirmed that the review period is six months prior to June 18, 2008.

Summary of Employees' and Supervisors' comments

Ms. Sarah Clark, Ms. Celeste Hardy, Ms. Loraine Wisner and Ms. Mindy Carey, are Fiscal Technician 2 (FT2) employees of DOC. This group works in the Medical Disbursement Unit (MDU) which is part of the Administrative Services Division of DOC. Mr. Ray Ebio, Financial Analyst 4, is the immediate supervisor of these employees. Mr. Ebio reports to Ms. PJ Kohler, Local Business Advisor and second level supervisor for this group.

Ms. Kohler explained that the PDs were completed and signed in November 2007. Ms. Kohler stated that due to work loads and concerns about desk audits, Ms. Denise Doty, Comptroller, delayed signing the PDs until June 18, 2008. (Exhibit A-4)

Ms. Clark described the employees' invoice payment process as follows. Invoices for payment arrive daily. Once an invoice is assigned, the FT2 checks records to ensure that the offender was actually in DOC custody. When authorized, the off-site trip log is reviewed to confirm that the offender was away that day and the Healthcare Review Committee's information is reviewed to ensure the procedure was approved in advance by the DOC medical staff. Ms. Clark verified that the Healthcare Review Committee determines what health care procedures/treatment can be performed for individual offenders. A spreadsheet is available listing approved off-site medical treatments for each offender. The information on the invoice is researched to confirm that it is not a duplicate, the procedure was authorized and completed, and no additional unapproved procedures are included on the invoice. The medical codes are verified for accuracy with the contract. The invoice is reviewed for inappropriate/appropriate added charges. The invoice is compared to the provisions of an applicable contract or the Uniform Medical Plan for proper diagnostics coding and payment rates. The payment is calculated using any applicable contractual rates, flat fees and discounts. When the invoice has gone through the process, the invoice payment is uploaded for payment in batches to AFERS (OFM payment system). Ms. Kohler stated Ms. Bianca Finley, Fiscal Analyst 2 in the MDU, reviews, audits and releases disbursement payment batches. Ms. Clark confirmed that others, including nurses, are consulted for clarification of the medical procedures or charges.

Ms. Clark emphasized that she and the other employees use the results of their research and their judgment to approve or deny payment of an invoice. Ms. Clark indicated that payment of the invoice is denied if the offender is not in DOC custody at the time of the medical procedure or service, the procedure goes beyond what was pre-approved, or the procedure is covered under Global Days. Other items are denied if they are not covered under a contract, the time frame for submitting invoices has passed, or the invoice should be submitted elsewhere. Ms. Clark noted that a form letter is sent when an invoice payment is denied. The form letter does not have a signature but indicates it is from the MDU and the reasons for denial.

Ms. Wisner stated that she has been employed in the MDU for 21 months. She noted that the work they currently perform has become more complex with the new contracts. Previously they generally paid 100% of the invoice. Now it takes much longer to analyze the invoices for correct information, codes and appropriate contract fees and discounts.

Ms. Carey noted she has worked in this unit for two and one-half years. She agreed with Ms. Wisner that the procedures for handling the invoices are much more complicated and complex.

Ms. Hardy confirmed that the previous procedures were much simpler than today's process. However, she noted that implementation of the contracts and the analysis of the invoices this group performs has saved DOC tons of money in incorrect medical costs and overcharges.

Ms. Kohler indicated that the Medical Disbursement Unit (MDU) was created after centralization took place. She noted that MDU staff handles only off-site medical invoices for services and treatments for offenders. Ms. Kohler confirmed that each of these employees individually and independently determines whether the invoice is to be paid or denied. She stated the complexity of work is great involving 748 contracts, medical procedures and procedure coding, a variety of fee schedules and discounts, and custody issues. She confirmed the Fiscal Technicians are empowered to exercise judgment in making decisions. She observed the decisions and work are not routine; paying the medical invoices involves complexity.

Mr. Ebio estimated that 300 to 400 invoices per week are received. He stated that during the previous 21 weeks, eight people have left these positions; four people are now handling the invoice work load. He noted that the learning curve of each of these positions is high as each contract has specifics regarding diagnosis, rate of billing, and amounts paid. He verified that the employees refer to these contracts to determine coverage of medical procedures and to calculate any flat rates or approved discounts on the payments.

Summary of DOC's comments

Ms. Harmon noted these employees are accomplished employees. She noted that these employees review medical invoices for payment. She confirmed the Healthcare Managers authorize medical treatment and payment. She pointed out that the PRR statement of position purpose says "...processing medical payments timely and accurately...providing fiscal support to Health Services [and]...accounting data is accurate for budgeting purposes ..." (Exhibit B-3, page1) She noted that these positions have a specialized focus on medical invoices; however, she found there are no specialized functions in these positions. Ms. Harmon emphasized that the decision explained in the determination letters stands based on work assignments. Based on each position's assigned responsibilities and duties, she found that the appropriate allocation is Fiscal Technician 2.

Rationale for Director's Determination

The purpose of a position review is to determine which classification best describes the overall duties and responsibilities of a position. A position review is neither a measurement of the volume of work accomplished, nor an evaluation of the expertise with which that work is performed. A position review is a comparison of the duties and responsibilities of a

particular position to the available classification specifications. This review results in a determination of the class that best describes the overall duties and responsibilities of the position. See Liddle-Stamper v. Washington State University, PAB Case No. 3722-A2 (1994).

Glossary of Classification, Compensation and Management Terms (Glossary)

In reviewing this position, I considered the following terms defined in the Department of Personnel's (DOP) *Glossary of Classification, Compensation and Management Terms*. The link to the website is:

<http://www.dop.wa.gov/CompClass/CompAndClassServices/Pages/HRProfessionalTools.aspx>

Nature of Work. Basic types of work assignments performed by a class, in part:

Professional – Performs work that requires consistent application of advanced knowledge usually acquired through a college degree in a recognized field, work experience, or other specialized training. Exercises discretion and independent judgment when performing assignments. Examples include, but are not limited to, social workers, psychologists, registered nurses, economists, teachers or instructors, human resource consultants, accountants, and information system analysts.

Technical – Specialized knowledge or skills gained through academic or vocational courses offered in technical and community colleges, or equivalent on-the-job training.

Position Review Request (PRR) and Position Description (PD)

On the PRR for her position, Ms. Carey's Position's Purpose is described as follows: *"This position helps ensure that relationships between vendors providing off site medical services and the agency are in good standing by processing medical payments timely and accurately. This position helps ensure relationships between Administrative Services Division and Health Services are in good standing by providing fiscal support to Health Services. This position ensures that off-site medical and accounting data is accurate for budgeting purposes but can also be used by Health Services for medical data collection."* (Exhibit B-3 pg 1)

From the PD form, the Position Objective states *"Under the direction of the Medical Local Business Advisor, this position provides technical support for the Centralized Medical Disbursement Unit. This position contributes to the Department's mission by ensuring timely and accurate payment for specified medical invoices in DOC statewide. This positions helps ensure that relationships between vendors providing goods/ services, Health Services for medical data collection."* (Exhibit B-2 pg 1)

Although the responsibilities are similar on both documents, the specific work and the percentages of time are described in different ways. On the Position Description, Ms. Carey's key work activities are listed as follows, in part.

- **55%** Analyze medical billing diagnostic code and procedural code information to ensure accurate billing. Analyze medical billing and Off-Site Trip Log information to verify medical service being invoiced ... Prepares medical invoices for disbursement including determining inpatient or outpatient status, analyze application of calculation of the current version of the All Patient Diagnostic Related Groups grouper (APDRG) or contract payment discounts. Determine proper fiscal expenditure coding. Interpret and

apply fiscal policy and procedures such as Office of Financial Management, DOC Policy, RCW and WAC and interpret contracts ... Ensure procedures are within Offender Health Plan. Provide Health Service with ... medical data ensuring ...confidentiality. Compiles and prepares periodic fiscal statements and reports...

- **20%** Analyze peaks and lows in expenditures and report to Local Business Advisor. Analyze Off-site Medical Trip log for bills not received or partial payments and provide estimated accrual amounts. Recognize and report expenditure trends or anomalies to the Local Business Advisor.
- **15%** ... responding to emails or phone calls regarding medical billing related issues. Assume additional duties in the event of high staff turnover, special projects, implementation of new procedures, approved annual or sick leave.
- **5%** Attend training, participate in assigned committees and or/teleconferences.
- **5%** Other duties as assigned.” (Exhibit B-2 pg 3)

Mr. Ebio, indicated that he provides supervision for Ms. Carey’s position at the level of “*Little, employee responsible for devising own work methods*”. (Exhibit B-3 pg 7)

Classifications Reviewed

Medical Treatment Adjudicator 1 (MTA1) (class code 171E)

The **Definition** of the MTA1 states: “*Review and authorize or deny payment of bills from physicians, hospitals, therapists, pharmacies, vocational providers or other medical agents, under the State Industrial Accident Insurance Program; adjudicate exception bills in accordance with the Industrial Insurance Act, the current Medical Aid Rules and Fee Schedules and utilization review and cost containment policies adopted by the department. Explains benefits, rights, and responsibilities to injured workers, providers, and other customers through written and verbal communications. Evaluate authorization and eligibility information to determine if services billed are appropriate and authorized. Verifies, updates or adjusts client eligibility and authorization information in the Labor and Industries Industrial Insurance System.*”

Ms. Carey does not work under the State Industrial Accident Insurance Program as required by the Definition of the MTA1. Further, Ms. Carey does not adjudicate exception bills in accordance with the Industrial Insurance Act or the current Medical Aid Rules and Fee Schedules, and does not have responsibilities to explain benefits, rights and responsibilities to injured workers, providers, and other customers. The duties and responsibilities of Ms. Carey’s position do not encompass the scope and impact of responsibilities for the State Industrial Accident Insurance Program and injured workers and providers as required by the MTA1. The Medical Treatment Adjudicator 1 class is not a match for Ms. Carey’s position.

Fiscal Specialist 1 (FS1) (Class code 151E)

The **Class Series Concept** for the Fiscal Specialist series states: “*Provide administrative support to administrator or manager in the area of fiscal and/or business management. Apply principles of financial management to perform such functions as record keeping, auditing, analysis, budgeting, payroll, travel, purchasing and other types of fiscal operations.*”

While Ms. Carey’s position provides technical support in the aspects of verifying medical invoices for payment, she does not have responsibility for providing administrative support

to an administrator or manager in the area of fiscal and/or business management. The organizational chart for the Administrative Services Division, Comptroller, dated December 2007, shows Ms. Carey reports to a Fiscal Analyst 4 who then reports to a Local Business Advisor and on up the chain of command. (Exhibit B-5) The technical expertise required of Ms. Carey's position does not reach the level of fiscal analysis, planning and interpreting that is expected in a position allocated to the Fiscal Specialist series.

Fiscal Analyst 1 (FA1) (class code 143I)

The **Class Series Concept** for the **Fiscal Analyst** series states, in part: *"Positions in this occupational group conduct a variety of financial reviews and analysis of fiscal, grants, contracts or other financial data in accordance with Generally Accepted Accounting Principals [sic] (GAAP). These are professional positions which analyze and interpret what the fiscal information means to draw conclusions and trends based upon that data... The majority of work assigned to professional positions does not involve verifying the accuracy of the fiscal data or the routine collection, reviewing and posting of fiscal record keeping tasks according to established procedures as contained in the office, fiscal or budget support group. . . ."*

The nature of work assigned to Ms. Carey's position is *technical* rather than *professional* as defined by the *DOP Glossary*. Ms. Carey is not responsible to conduct a variety of financial reviews and analysis of fiscal, grants, contracts or other financial data. The level of responsibility and scope of the duties assigned to Ms. Carey's position do not meet the requirements of the Fiscal Analyst series to analyze and interpret what fiscal information means and to draw conclusions and trends based upon that data. Rather, Ms. Carey's position is assigned significant duties and responsibilities for verifying the accuracy of medical invoices to approve or deny payments of medical treatments and services. Her position does not fit within the Fiscal Analyst class series.

Fiscal Technician 1 (FT1) (class code 148L)

The **Class Concept** for the **Fiscal Technician** series states: *"Positions perform ongoing, routine and repetitive fiscal tasks in a manual or automated system. ...Positions prepare, review, verify, and process fiscal, accounting, budget, book or record keeping documents. Performs computing, calculating financial, statistical and numerical data to maintain accounting, budgeting, purchasing, payroll records and reports. Records details of fiscal or business transactions in an increasing automated fiscal computer enhanced environment. This series is not responsible for in-depth analyzing or interpreting fiscal or budgetary data, rules or regulations, or designing automated fiscal systems. This series provides fiscal support to a variety of professional classes found in the fiscal analyst occupational category."*

Ms. Carey's assigned duties and responsibilities involve verifying the accuracy of medical invoices, checking codes, applying contracted fees and discounts, and approving or denying payment. She prepares disbursement records for automated systems. She does provide fiscal support to her supervisor, Mr. Ebio, who holds a Fiscal Analyst 4 position. In comparing the Class Series Concept and the fiscal duties and responsibilities assigned to Ms. Carey's position, I find that her position fits within the Class Series Concept for the Fiscal Technician series.

Fiscal Technician 3 (FT3) (class code 148N)

The **Definition** for the Fiscal Technician 3 states: *“Provide fiscal support using independent judgment in the interpretation and application of a variety of rules and procedures in specialized fiscal functions, such as internal control, revolving fund maintenance control, and providing resource data for reports.”*

Ms. Carey’s position’s responsibilities and duties are not in a specialized fiscal function such as internal control, revolving fund maintenance control or providing resource data for reports as required by the Definition of the Fiscal Technician 3 class. Rather, to ensure accurate invoice payments, Ms. Carey’s Position Description describes reviews and analysis of a variety of documents, such as offender off-site logs, medical contracts, invoices for medical procedures/treatments, medical codes, and Healthcare Review Committee authorizations for off-site medical treatment. Although Ms. Carey’s position has an offender medical invoice focus, she is not assigned specialized fiscal functions. The Fiscal Technician 3 class is not the best fit for the overall duties and responsibilities assigned to Ms. Carey’s position.

Fiscal Technician 2 (FT2) (class code 148M)

The **Definition** for the **FT2** states, in part: *“This is the journey, occupational or working level of the series. Incumbents work independently or under general supervision and often perform one or more fiscal support functions. Positions provide support in the area of fiscal, budget, or financial business areas. Apply principles of established procedures in recording, summarizing, and reporting fiscal activities in a variety of work areas such as; recordkeeping, auditing, analysis, budgeting, payroll, travel, purchasing, and other types of fiscal operations. Prepare and maintain fiscal records while compiling and ensuring the accuracy of reports...”*

While not allocating criteria, the **Typical Work** provides further description of the work typically performed by incumbents allocated to the FT2 classification. In summary, a FT2 performs the breadth of work necessary to complete activities such as maintain purchasing records and resolve problems; review, approve and allocate purchases to proper budget and category; ensure compliance with departmental, institutional, and/or granting agency policies, rules, and regulations; ensure compliance with state and institution regulations and procedures; maintain accounts and records; and authorize and enter fiscal transactions.

The majority of Ms. Carey’s work time is spent in completing activities such as invoice review and research in preparation for approval or denial of payment. This involves reviewing approved medical procedures/treatments, verifying offender movement on off-site logs, checking contracts with medical organizations for treatment coverage, codes, fees and discounts; and making or denying payments as determined using individual judgment. Ms. Carey’s position’s scope of responsibility and assigned duties are encompassed in the Definition and supported by the Typical Work statements of the FT2 class. Ms. Carey’s position is correctly allocated as Fiscal Technician 2.

Appeal Rights

RCW 41.06.170 governs the right to appeal. RCW 41.06.170(4) provides, in relevant part, the following: *“An employee incumbent in a position at the time of its allocation or reallocation, or the agency utilizing the position, may appeal the allocation or reallocation to . . . the*

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Washington personnel resources board . . . Notice of such appeal must be filed in writing within thirty days of the action from which appeal is taken."

Please note telephone and address changes:

June 26 through July 3, 2009, the offices of the Director's Review Program and Personnel Resources Board Appeals Program will move to the Department of Personnel building located at 600 South Franklin in Olympia. Starting June 26, 2009, the main phone number for the two programs will be **360-664-0388**. The fax number remains the same - **360-753-0139**.

All requests for Director's Reviews and appeals to the Personnel Resources Board must be filed:

<u>In person at:</u>	OR	<u>By mail at: (unchanged)</u>
600 South Franklin		Mail Stop 40911
Olympia, WA 98504-7530		Olympia, WA 98504-0911

If no further action is taken, the Director's determination becomes final.

cc: Mindy Carey, DOC
Joanne Harmon and Amy Bean, DOC
Lisa Skriletz, DOP

Enclosure: Exhibits List

Exhibits List

A. Mindy Carey Exhibits

1. Director's Review request filed November 19, 2009
2. DOC allocation determination letter, November 10, 2008.
3. Position Review Request with supervisor section dated November 2007
4. Position Description signed November 2007, received by HR June 2008

B. DOC Exhibits

1. DOC allocation determination letter, November 10, 2008.
2. Position Description signed November 2007, received by HR June 2008
3. Position Review Request with supervisor section dated November 2007
4. Fiscal Technician 2 Classification (class code 148M)
5. Administrative Services Division Comptroller Org Chart December 2007
6. Position Description (#GR 42) July 2007

C. Additional exhibits submitted May 20, 2009

1. Email from Sarah Clark to Karen Wilcox (DOP) May 20, 2009
2. Notes taken by Melanie Garrison (1 page)
3. July 10, 2008 desk audit notes (3 pages)

D. Additional classifications reviewed by Director's Investigator

1. Medical Treatment Adjudicator 1 (class code 171E)
2. Fiscal Specialist 1 (class code 151E)
3. Fiscal Analyst 1 (class code 143I)
4. Fiscal Technician 1 (class code 148L)
5. Fiscal Technician 3 (class code 148N)